



# Lowell City Council

## *Regular Meeting Minutes*

Michael Q. Geary  
City Clerk

**Date:** April 24, 2017  
**Time:** 5:30 PM  
**Location:** City Council Chamber  
375 Merrimack Street, 2nd Floor, Lowell, MA

### **Finance SC April 24, 2017.**

**RE: Discussion – Impact of Lowell High School project costs on commercial/residential taxes.**

**The Public is invited to attend.**

### **PRESENT:**

Present on Roll Call were C. Elliott, C. Leary and C. Milinazzo. Also present were Conor Baldwin (CFO), C. Samaras, Robert Healy (Fin. Con.) Manager Murphy and Rodney Conley (Asst. CFO).

### **MEETING CALLED TO ORDER:**

C. Elliott called the meeting to order in the Council Chamber.

### **ORDER OF BUSINESS:**

Manager Murphy commented on his financial administration and the work being done regarding those matters in the City. There was a presentation presented to the body entitled “Impact of Lowell High School Project Costs on Commercial/Residential Taxes” dated April 24, 2017. Mr. Baldwin commented on debt service impact concerning residential taxes. Mr. Baldwin outlined various value ranges for homes in the City indicating that higher value homes will be more impacted on changes in tax payments. Mr. Baldwin reviewed charts which indicated each of the four options chosen by the City would impact tax payments. C. Elliott commented on average home values and requested information regarding median income ranges in the City. C. Milinazzo requested that when final numbers are available with the project these numbers be calculated again for more accurate picture. C. Milinazzo noted that property values will increase over time as well and that will escalate tax payments. Manager



Murphy noted that they could do a historical analysis of value increases to get a clearer perspective. C. Elliott commented on loan reimbursement by Massachusetts School Building Authority (MSBA). Mr. Conley noted that they have begun payments for initial study done. Mr. Conley noted that short term bonding will be part of the loan package. C. Elliott questioned what was reimbursable. Mr. Baldwin noted costs at this point are based on assumptions and that they will be fine-tuned as the process moves along. C. Leary noted that the MSBA is already reimbursing for feasibility study that was done. C. Leary noted the importance of project as any building will last 50 to 75 years and would be cost effective than simply putting money in existing structures. C. Leary noted the importance of looking at non-building costs such as infrastructure. C. Leary noted the need to look at different finance options including debt exclusion. Mr. Baldwin outlined discussion surrounding debt exclusion procedures.

**Motion** by C. Milinazzo, seconded by C. Leary to request City Manager prepare a report regarding the advantageous and disadvantageous of debt exclusion financing. So voted. C. Milinazzo questioned the contingency money for each option that would have to be available. Mr. Conley noted each amount would be project specific. C. Samaras requested breakdown of mandated costs as well as added costs which would not be mandated. C. Elliott noted the impressive budget work done by the administration and the savings realized. Mr. Conley noted that expenses in each department have been in control as well. C. Elliott noted budget buster items including charter school costs.

**Motion** to accept the report as a report of progress C. Leary, seconded by C. Milinazzo. So voted.

#### **ADJOURNMENT:**

**Motion** to adjourn by C. Leary, seconded by C. Milinazzo. So voted.

Meeting adjourned at 6:10 PM.

Michael Q. Geary, City Clerk

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